The influence of authentic leadership on the psychological contract process in the hotel workplace

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**Abstract**

The value of efficacy leadership in hotels has been extensively emphasized in the literature. This research assesses the perception level of authentic leadership (AL) and the psychological contract (PsyCon) process among five-star hotel employees in Egypt. It also explores how AL affects the employees’ PsyCon process. Data were analyzed from 228 employees in five-star hotels. The researchers adopted a random sample method to collect data for the study. The appropriate statistical methods such as Alpha Correlation Coefficient (ACC), Confirmatory Factor Analysis (CFA), and Multiple Regression Analysis (MRA), were used to analyze the data and test the hypotheses. Findings indicate that there is a negative and statistically significant relationship between the dimensions of AL (self-awareness, balanced processing, an internal moral perspective, and relational transparency) and PsyCon. Also, there is an inverse relationship between AL and PsyCon. In other words, the greater the interest on the part of the organization in applying the pattern of AL, the lower the level of PsyCon for employees in the organization. This means that the dimensions of AL play a significant part in lowering the dimensions of PsyCon for hotel employees in Egypt.

**Keywords:** Authentic leadership, psychological contract process, hotels.

**Introduction**

Authentic leadership (AL) has emerged in leadership research since its implementation in the late 1970s and its theoretical expansion as a fundamental structure in positive leadership theory (Avolio and Gardner, 2005). AL refers to the process which results from the interaction of positive psychological abilities with evolving organizational environments. It helps both leaders and subordinates raise and develop positive self-awareness and self-control (Luthans and Avolio, 2003). There are many positive meanings of AL which include self-confidence, sincerity, credibility, merit, a sense of values and beliefs, a focus on building strengths of subordinates, and the ability to create a positive and familiar organizational environment (Roberts, 2007). Moreover, AL combines boldness, humility, ability, and compassion. It has a purpose that brings out the best in people and increases their ability to imagine and innovate (Kets de Vries, 2006).

PsyCon has become a vital topic in the literature on career relations. The employment contract between the individual and the organization includes various essential conditions such as salary, bonus, and incentives. PsyCon focuses on the tacit and unwritten promises between employees and the organization (Anderson and Schalk, 1998). It can predict the quality of the output of its employees. Strong (2003) argued that it gives the enterprise a chance to predict the type of rewards that employees want in exchange for investing their time and effort within, which results in the design of a system of appropriate rewards and incentives. Primarily, AL is regarded as a vital strategy to recover the PsyCon process. Although AL is considered one of the most prominent theories in contemporary management psychology studies, it still requires empirical research to confirm its conceptions. Leaders play a crucial role in employees’ lives by providing guidance; accomplishing their priorities and targets. The more real the leaders are, the more PsyCon the employees will have, which will make them more likely to stay with the entity. Additionally, PsyCon has evolved into an essential way of describing the underlying expectations that prevail...
between employees and a leader. Leaders failing to meet these expectations may have a wide range of negative implications (Lamøy, 2021). The key feature of a PsyCon is that it is more based on the individuals, therefore each contract may be unique due to the unique nature of each employee (Rayiramkandath, 2021).

The current research gives a more comprehensive overview of the influence of AL on the employees’ PsyCon process. It provides a variety of contributions to the literature. First, since in hotel management studies the connection between leadership and the PsyCon process is still uncertain, the analysis will improve understanding of the degrees and mechanisms that affect the PsyCon process. Second, the research suggests a model clarify the comprehensible context between AL, violation, and breach of PsyCon. Third, the scarcity of middle managers has made it important for hotels to develop leadership abilities and build more managerial empowerment. Lastly, the possible results of this research could give hotels the information they need to get along well with their employees. The main objective of this research is to empirically assess how AL influences the PsyCon process. This research investigates the potential relationship between the two main constructs. So, it helps elucidate a relationship between 1) AL and PsyCon breach, and 2) AL and PsyCon violation. This research is structured accordingly, where AL and PsyCon dimensions are mentioned in the literature. This includes work related to this research area. The methodology and findings will be presented in the following part. The last part includes the conclusion, limitations, and directions of future studies.

**Literature Review**

**Authentic Leadership**

**Authentic Leadership Concept**

The AL concept can be introduced in two ways; operationally through the leader’s ability, and structurally. First, the operational concept is the process in which a leader combines both positive psychological capabilities and an evolving organizational context, which leads to the promotion and development of positive behavior on the part of leaders and employees in the organization (Luthans and Avolio, 2003). AL is the operation and processing of self-knowledge and personal viewpoints through the organization’s leader. The leader tries to create a work environment characterized by mutual trust among workers, the organization, and society as a whole. The leader is concerned with ethics, altruism, optimism, and transparency in all dealings within the organization (Shamir and Eilam, 2005). Second, AL is the ability of a leader to develop subordinates, with an emphasis on the essence of self and identity. The authentic leader has self-confidence, hope, optimism, and others to develop subordinates (Gardener et al., 2005). In addition, AL is the leader’s ability to continually demonstrate oneself through his behavior and actions and maintain a high level of integration with subordinates (Shamir and Eilam, 2005). The leader can set an example that is to be followed because he is transparent in decision-making, cultivates hope and optimism among subordinates, and aligns his words with his actions (Avolio and Walumbwa, 2005).

**Authentic Leadership Dimensions**

Self-awareness, balanced processing, an internal moral perspective, and relational transparency are four dimensions of AL (Walumbwa et al., 2008; Lusin, 2014), as follows:

**Self-awareness** is the process by which a leader understands their strengths and weaknesses by interacting with others to learn about their impressions of him, thereby enhancing his self-
confidence (Walumbwa et al., 2008). It is a continuous process of understanding and recognizing an individual's talents, and the goals they are developing (Avolio and Gardner, 2005).

*Balanced processing*, is the leader's analysis to collect data objectively before arriving at a decision and addressing the situation objectively. Balanced processing is an unbiased operation, which means a leader's objective and continuous evaluation of positive and negative subjective aspects of information (Walumbwa et al., 2008).

*Internalized moral perspective*, is a process of purposefully controlling behavior that results in a fair and decision-making process. It is expressed through ethically directed behavior. An internal moral perspective indicates the degree to which a leader determines high standards of ethical behavior, and against which behaviors and actions that conform to moral values are guided (Gardner et al., 2005).

*Relational transparency* is the process of openness to new ideas and information. The transparency of relationships expresses the degree to which the leader himself presents the truth to others and expresses his true feelings. It allows others to express their opinions and ideas (Rego et al., 2013). Also, it's when a person shows what drives him and how he feels about other people, whether those feelings are good or bad (Avolio and Gardner, 2005).

**Psychological Contract**

*Psychological Contract Concept*

PsyCon is rooted in two theories: The Social Exchange theory and the Equity theory. It is noted that the underlying idea of the two theories is almost the same. The employees in the organization continue to provide their services as long as they believe that they are balanced with what these organizations provide them. When individuals feel that the organization has failed to fulfill its obligations, they feel a breach and a violation of the PsyCon (Robison and Morrison, 1995; Knoppe, 2012; (Chiaburu et al., 2013). The first generation of researchers such as (Argyris, 1960; Levinson et al., 1962; Schein, 1965) defined PsyCon as expectations about the mutual obligations that shape the relationship between the individual and the organization (Morrison and Robinson, 1997). Also, PsyCon is a set of unwritten expectations between employees and the organization. In other words, it is a set of expectations that link the parties to work within the framework of functional relationships between the individual and the organization through the set of legislation governing this relationship (Johnson and O'Leary-Kelly, 2003; Guet, 2004). The promises themselves do not guarantee the continuity of the relationship between the two parties, and what is paid in exchange for the implementation of those promises is the one that guarantees their continuation. The formation of a contract may be written or oral (Robinson and Rousseau, 1994). Hence, contracts are a set of promises that obliges a person to perform future behavior in different employment relationships (Farnsworth, 1990). Despite its importance, the PsyCon did not have a single concept shared by all researchers, but the definition that has been accepted among researchers is that the PsyCon is the beliefs of the individual regarding the terms and conditions of a reciprocal relationship between employees and the organization (Rousseau, 2001). PsyCon is considered one of the types of contracts based on common expectations between employees' beliefs about mutual obligations and the organizations. These obligations depend on perceived promises, whether explicitly or implicitly (Morrison and Robinson, 1997; Conway and Briner, 2005). Those promises that a party should be obligated to keep in the future (Kingshott, 2005).

**Psychological Contract Processes**

According to Lo and Aryee (2003), Conway and Briner (2005), Kiefer and Briner (2006), Dulac et al. (2008), Suazo (2009), Suazo and Stone-Romero (2011), Schaupp (2012), Phoung (2013),
and Saad and Badawy (2017) PsyCon is divided into two processes. They are PsyCon breach and PsyCon violation. The breach and violation of the contract are the vital components of PsyCon theory. It provides a basic illustration of the reasons why PsyCon negatively affects the feelings, attitudes, and behavior of the organization’s employees (Dulac et al., 2008). The ideas of breach and violation of the PsyCon have been borrowed from the concepts of legal contracts, which express a violation of one of the parties to the contract with one of the terms or conditions contained in it (Conway and Briner, 2005). The PsyCon breach or violation indicates that the organization has not fulfilled one or more of its obligations toward its employees (Suazo and Stone-Romero, 2011). Researchers who have written about PsyCon (Morrison and Robinson, 1997; Suazo, 2009) have used the terms "breach" and "violation" interchangeably.

**Psychological Contract Breach**

PsyCon breach is the state of perceptual comparison that an individual makes in terms of what he receives relative to what is promised by the organization (Knights and Kennedy, 2005). The PsyCon breach is a cognitive assessment by employees of the difference between what they consider a commitment to the organization and what the organization provides to them. Breach of the PsyCon occurs whether these obligations are expressed or implied and whether they are fully or partially met (Kiefer and Briner, 2006). In addition, it is considered a perceptual assessment of the individual that the organization has failed to fulfill its obligations to its employees (Zhao et al., 2007). Besides, a PsyCon breach is an emotional state that appears under certain circumstances when believing that the organization has failed to adequately maintain the PsyCon (Saad and Badawy, 2017). It occurs when an organization believes it has failed to adequately maintain the PsyCon (Saad and Badawy, 2017). The PsyCon breach expresses the individual's cognitive state toward the organization's failure to fulfill one or more of its obligations within the PsyCon (Kickul et al., 2001; Lo and Aryee, 2003). This means that it happens when employees realize that the organization hasn't been able to live up to its end of the contract.

Employees become angry and distrustful of the organization as a result of a PsyCon breach (Morrison and Robinson, 1997), decreased organizational citizenship behavior, job satisfaction, and organizational commitment (Chen, 2010; Lapointe et al., 2013; Cassar and Buttigieg, 2015), decreased level of career placement (Jordan et al., 2007), low organizational confidence between employees and the organization (Colquitt and Rodell, 2011), increased intention of employees to leave the organization (Lo and Aryee, 2003). These studies have indicated that there are two conditions for the occurrence of PsyCon breach; namely failure to implement promises and inconsistency. The failure to fulfill promises occurs when one of the managers in the organization publicly breaks a specific promise for employees in the organization. Inconsistency and agreement occur when there is a different understanding on both sides of the contract (Morrison and Robinson, 1997). The PsyCon breach indicates the individual’s awareness that the organization has failed to fulfill one or more of the obligations that the individual believed to be committed to implementing with him (Morrison and Robinson, 1997).

Importantly, three factors contribute to creating a state of individual awareness that the organization has breached the PsyCon, namely; 1) reneging, which occurs when the organization realizes that there are mutual obligations with employees, but it knows that it cannot be fulfilled, 2) incongruence which occurs because both the organization and the individual possess different perceptions of mutual obligations and their nature, and 3) individual attention of the extent to which the organization is implementing its obligations (Morrison and Robinson, 1997; Robinson and Morrison, 2000; Johnson and Ol'eary-Kelly, 2003). Moreover, it should be noted that not every perceived PsyCon breach will lead to the individual feeling that the contract has been violated.
This depends on how the individual interprets the degree to which the organization has responded to the implementation of its obligations. Add to this the type of PsyCon (transactional or rational), as the individual who has a rational contract, holds less prone to move to the stage of violation than the one who holds the transactional contract (Dulac et al., 2008; Schaupp, 2012).

**Psychological Contract Violation**

PsyCon violation is a strong emotional response to the process of breaching the PsyCon due to the organization's inability to fulfill the obligations agreed with the employees (Morrison and Robinson, 1997; Robinson and Morrison, 2000). There are different forms of individuals' reactions to their feelings of violation of the PsyCon between employees and the organization, such as leaving work, neglecting the individual with duties, and the individual's feeling indifferent to the organization (Brewerton, 2000). Also, there are negative effects of breaches and violations of PsyCon. The most important ones are anger and high tone of voice (Morrison and Robinson, 1997), low levels of job satisfaction, organizational commitment, job performance, organizational citizenship behavior, high withdrawal behavior from tasks, and leaving work in the organization (Bal and Kooij, 2011).

**Methodology**

**Research model**

The framework of this research is shown in Figure 1. The AL’s effect on PsyCon process that was analyzed using a proposed model. The research aims to answer the following question: How does AL affects PsyCon process of hotel employees? To investigate the proposed conceptual model, research hypotheses are introduced as follows:

**H1:** Self-Awareness has a positive influence on the PsyCon process among hotel employees in Egypt.

**H2:** Balanced Processing has a positive influence on the PsyCon process among hotel employees in Egypt.

**H3:** Internalized Moral Perspective has a positive influence on the PsyCon process among hotel employees in Egypt.

**H4:** Relational Transparency has a positive influence on the PsyCon process among hotel employees in Egypt.

**Population and sample**

The population for this research was the employees serving in five-star hotels in Cairo, Egypt. The research advocated that five-star hotels should focus on leadership styles since they have an impact on the PsyCon process, which in turn improves work outcomes. According to Altinay and Paraskevas (2008) all participants of the studied population have the same probability of being chosen with the random sampling technique. Thus, data were collected using a random sample of employees in fifteen five-star hotels. According to Delice (2010), and Van de Schoot and Miocević (2020) studied samples should not be less than 30 and 50 participants, respectively. Initially, 300 questionnaires were disseminated face-to-face and through electronically ways. Out of these questionnaires 72 were incomplete and were omitted. Consequently 228 questionnaires were used for the research, representing a response rate of 76%. To ensure confidentiality, respondents were asked not to mention their name or the name of their organization anywhere on the questionnaire. Those questionnaires were first settled in English and have been translated into Arabic. A cover letter was used to clarify the research objectives and applicants were informed to return the
completed questionnaires within ten days. To get honest and true information from the respondents, the questionnaires were kept anonymous.

**Figure 1:** Conceptual Proposed Model for the Research

*Questionnaire design and measurement*

The Questionnaire for AL as an independent variable was measured using sixteen item scale through four dimensions; *Self-Awareness, Balanced Processing, Internalized Moral Perspective and Relational Transparency* developed by Walumbwa et al. (2008) and Lusin (2014). PsyCon process as a dependent variable was also measured using eight item scale though two dimensions *PsyCon Breach and PsyCon Violation* developed by Robinson and Morrison (2000). All the items were measured on a five-point Likert scale, where "1" means "strongly disagree" and "5" means "strongly agree," all of the items were graded. The initial questionnaire was conducted with two identified groups for comments. The two identified groups were 5 academic staff, and 5 managers in five-star hotels. The purpose of the pre-test was to detect potential problems in the questionnaire design, clarity, and wording (Zikmund et al., 2013). There was no problem with the questionnaire.

*Reliability and validity assessment*

The coefficient alpha which is appropriate for Likert-type scales, was used for a measure of internal consistency of the used scales via an appropriate statistical computer program, that is, how closely related a set of items are as a group. Each of the scales demonstrated acceptable reliability in the present context matching the reliability level (0.7) that is recommended by Nunnally and Bernstein (1994) and Morgan (2004). As for the constructs’ approximated validity, each cue realized a significant correlation (p < 0.01), which provided a convergent validity for every scale’s element dimension due to Bae et al. (2003). Collectively, these findings provide good support for the authenticity of both scale aspect structures.

Confirmatory factor analysis (CFA) was used to verify the factor structure of a set of observed variables. CFA allows to test the hypotheses that a relationship between observed variables (Kline, 2011).
Based on the results of analysis shown at Figure 2, it is clear that all the statements of AL are greater than 0.50. The factor scores of AL scale are observed $\chi^2=875.969$, $P$. value = 0.000 and RMSEA = 0.187.

Table (1) CFA Fit Indices Scores for AL Using AMOS Analysis

<table>
<thead>
<tr>
<th>Test the Fit of the Model Acceptance Condition (Hooper et al., 2008)</th>
<th>Test Value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>P. value $&gt; 0.5$</td>
<td>0.000</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>$X^2$ / Degree of freedom $&gt;5$</td>
<td>875.969</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>Normed Fit Index (NFI) $&gt; 0.90$</td>
<td>0.703</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>Relative Fit Index (RFI) $&gt; 0.90$</td>
<td>0.636</td>
<td>Acceptable Fit</td>
</tr>
</tbody>
</table>
Acceptable Fit 0.663  Tuker-Lewis Index (TLI) > 0.95
Acceptable Fit 0.727  Incremental Fit Index (IFI) > 0.95
Acceptable Fit 0.710  Goodness of fit Index (GFI) > 0.90
Acceptable Fit 0.725  Comparative Fit Index (CFI) > 0.95
Acceptable Fit 0.222  Root Mean Square Residual (RMR) < 0.5
Acceptable Fit 0.187  Root Mean Square Error of Approximation (RMSEA) < 0.5

Source : AMOS, V.23, 2015

Authentic leaders are more capable of developing positive affective states with their followers (Hsiung, 2012). The scores of the scale fit to other indices were given in detail at Table 1.

Figure (3) Confirmatory Factor Analysis for PsyCon Process

Also, based on the results of the analysis shown at Figure 3, it is clear that all the statements of the PsyCon Process are greater than 0.50. The factor scores of PsyCon Process scale are observed $\chi^2=493.433$, P. value = 0.000 and RMSEA= 0.332. The scores of the scale fit to other indices were given in detail at Table 2. PsyCon supports individuals in the hotel that reduce their uncertainty on the future (Sharpe, 2002). PsyCon are important maintain in a company to align the company's goals with those of the employees. These nonwritten contracts between the employee and their manager have a significant impact on the organizational productivity and employee retention (Rayiramkandath, 2021).
Table (2) CFA Fit Indices Scores for PsyCon Using AMOS Analysis

<table>
<thead>
<tr>
<th>Test the Fit of the Model Acceptance Condition (Hooper et al., 2008)</th>
<th>Test Value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>P. value &gt; 0.5</td>
<td>0.000</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>$X^2$ / Degree of freedom &lt; 5</td>
<td>493.433</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>Normed Fit Index (NFI) &gt; 0.90</td>
<td>0.778</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>Relative Fit Index (RFI) &gt; 0.90</td>
<td>0.672</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>Tucker-Lewis Index (TLI) &gt; 0.95</td>
<td>0.681</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>Incremental Fit Index (IFI) &gt; 0.95</td>
<td>0.784</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>Goodness of fit Index (GFI) &gt; 0.90</td>
<td>0.700</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI) &gt; 0.95</td>
<td>0.784</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>Root Mean Square Residual (RMR) &lt; 0.5</td>
<td>0.100</td>
<td>Acceptable Fit</td>
</tr>
<tr>
<td>Root Mean Square Error of Approximation (RMSEA) &lt; 0.5</td>
<td>0.332</td>
<td>Acceptable Fit</td>
</tr>
</tbody>
</table>

Based on these results, it could be said that CFA scores of AL and PsyCon Process scales indicate acceptable model fit; on the other hand, a function of properties of the specified construct being measured is that its related scale is structurally valid.

Table (3) Reliability of AL and PsyCon

<table>
<thead>
<tr>
<th>Variables</th>
<th>Dimension</th>
<th>Number of Statement</th>
<th>ACC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authentic Leadership</strong></td>
<td>Self- Awareness</td>
<td>4</td>
<td>0.852</td>
</tr>
<tr>
<td></td>
<td>Balanced Processing</td>
<td>4</td>
<td>0.880</td>
</tr>
<tr>
<td></td>
<td>Moral Perspective</td>
<td>4</td>
<td>0.741</td>
</tr>
<tr>
<td></td>
<td>Relational Transparency</td>
<td>4</td>
<td>0.740</td>
</tr>
<tr>
<td></td>
<td>Total Measurement</td>
<td>16</td>
<td>0.921</td>
</tr>
<tr>
<td><strong>Psychological Contract Processes</strong></td>
<td>Psychological Contract Breach</td>
<td>4</td>
<td>0.896</td>
</tr>
<tr>
<td></td>
<td>Psychological Contract Violation</td>
<td>4</td>
<td>0.864</td>
</tr>
<tr>
<td></td>
<td><strong>Total Measurement</strong></td>
<td>8</td>
<td><strong>0.945</strong></td>
</tr>
</tbody>
</table>

It was decided to exclude variables that had a correlation coefficient of less than 0.30 when the acceptable limits of ACC ranged from 0.60 to 0.80, in accordance with levels of reliability analysis in the social sciences (Nunnally and Bernstein, 1994). A Cronbach's alpha test was conducted to assess the reliability of the data. Table 7 shows the reliability results for the AL and PsyCon Process. Zhang et al. (2004) said that all items with alphas above 0.60 were good, so all of them were good.
The sixteen items of AL are reliable due to the fact that the ACC is 0.921. The Self-Awareness, which consists of four items, is reliable since the ACC is 0.852, while the four items related to Balanced Processing are reliable as the ACC is 0.880, and the four items related to Moral Perspective are reliable as the ACC is 0.741. Also, the Relational Transparency, which is made up of four items, can be trusted because its ACC is 0.740. The eight items of the PsyCon Process are reliable because the ACC is 0.945. The four items of the PsyCon Breach scale are reliable due to the fact that the ACC is 0.896. The PsyCon Violation, which consists of four items, is reliable since the ACC is 0.864. Authentic leaders lead with empathy for their people, with the correct vision, insight, and influence, thereby fostering better PsyCon between the firms and their employees (Rayiramkandath, 2021).

**Data Analysis and Hypotheses Testing**

**Descriptive Analysis**

Descriptive statistics were performed to find out the means and standard deviations of AL and PsyCon Process before testing the research hypotheses.

**Table (4) Mean and standard deviations of AL and PsyCon**

<table>
<thead>
<tr>
<th>Variables</th>
<th>The Dimension</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authentic Leadership</strong></td>
<td>Self- Awareness</td>
<td>3.51</td>
<td>0.961</td>
</tr>
<tr>
<td></td>
<td>Balanced Processing</td>
<td>3.35</td>
<td>1.03</td>
</tr>
<tr>
<td></td>
<td>Moral Perspective</td>
<td>3.53</td>
<td>0.943</td>
</tr>
<tr>
<td></td>
<td>Relational Transparency</td>
<td>3.56</td>
<td>0.962</td>
</tr>
<tr>
<td></td>
<td>Total Measurement</td>
<td>3.49</td>
<td>0.829</td>
</tr>
<tr>
<td><strong>Psychological Contract Processes</strong></td>
<td>PsychologicalContract Breach</td>
<td>3.79</td>
<td>1.04</td>
</tr>
<tr>
<td></td>
<td>PsychologicalContract Violation</td>
<td>3.81</td>
<td>0.943</td>
</tr>
<tr>
<td></td>
<td>Total Measurement</td>
<td>3.80</td>
<td>0.982</td>
</tr>
</tbody>
</table>

Table 4 lists the mean and standard deviation among variables. The mean of each variable is more than 3.3, and this result indicates that the research subjects in general have a higher level of AL and PsyCon process. The different facets of AL (Self- Awareness, Balanced Processing, Moral Perspective and Relational Transparency) are examined. Most respondents identified the presence of Relational Transparency (M=3.56, SD=0.962). This was followed by Moral Perspective (M=3.53, SD=0.943), and Self- Awareness (M=3.51, SD=0.961). Finally, was followed by Balanced Processing (M=3.35, SD=1.03). The different facets of PsyCon Process (PsyCon Breach and PsyCon Violation) are examined. Most respondents identified the presence of PsyCon Violation (M=3.81, SD=0.943). This was followed by PsyCon Breach (M=3.79, SD=1.04).

**The Correlation between AL and PsyCon**

Rayiramkandath (2021) identifies that a good authentic leader that helps workers of an organization in building PsyCon. This is similar to Epitropaki (2013) who found a significant negative relationship between transformational leadership and psychological contract breach. Table 5 presents correlation coefficients between the research variables, and the results indicate the presence of significant correlation between variables (AL dimensions and PsyCon Process).
Results refer to the highest existence of correlation between Relational Transparency and PsyCon Process (R= 0.786; P < 0.01). Then a direct correlation between Moral Perspective and PsyCon Process (R=0.463; P < 0.01). Followed by the correlation between Balanced Processing and PsyCon Process (R= 0.412; P < 0.01). Finally, results refer to the existence correlation between Self-Awareness and PsyCon Process (R= 0.362; P < 0.01). Those findings agreed with Gordon and Shi (2020) who found significant positive and negative correlations between AL and PsyCon breach.

Table (5) Correlation Matrix between AL and PsyCon

<table>
<thead>
<tr>
<th>Research Variables</th>
<th>Self-Awareness</th>
<th>Balanced Processing</th>
<th>Moral Perspective</th>
<th>Relational Transparency</th>
<th>Psychological Contract Processes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-Awareness</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balanced Processing</td>
<td>0.828**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moral Perspective</td>
<td>0.605**</td>
<td>0.632**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relational Transparency</td>
<td>0.495**</td>
<td>0.576**</td>
<td>0.633**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Psychological Contract Processes</td>
<td>0.362**</td>
<td>0.412**</td>
<td>0.463**</td>
<td>0.786**</td>
<td>1</td>
</tr>
</tbody>
</table>

In other words, Positive leadership styles in particular were found to be negatively related with psychological contract violation (Griep and Cooper, 2019; Lamøy, 2021). Also, AL can create leader-member relationship such as relational PsyCon that can be as a mediator of the relationship between AL and employee’s outcomes (Phuong and Takahashi, 2021).

**Authentic Leadership (Self- Awareness) and PsyCon**

The relationship between Self-Awareness and PsyCon Process is determined. The first hypothesis to be tested is:

**H1**: Self-Awareness has a positive influence on the PsyCon process among hotel employees in Egypt.

Table (6) Multiple Regression Analysis for AL (Self- Awareness) and PsyCon

<table>
<thead>
<tr>
<th>Authentic Leadership (Self- Awareness)</th>
<th>Beta</th>
<th>R</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>The manager searches for feedback to improve interaction with others.</td>
<td>0.235**</td>
<td>0.350</td>
<td>0.122</td>
</tr>
<tr>
<td>The manager understands exactly how others view his abilities.</td>
<td>0.124</td>
<td>0.298</td>
<td>0.088</td>
</tr>
<tr>
<td>The manager understands how his actions affect others.</td>
<td>0.031</td>
<td>0.274</td>
<td>0.075</td>
</tr>
<tr>
<td>The manager knows what the appropriate time is to reassess his position.</td>
<td>0.125</td>
<td>0.289</td>
<td>0.083</td>
</tr>
</tbody>
</table>

- Multiple Correlation Coefficients (MCC) 0.383
- Determination of Coefficient (DC) 0.147
- Calculated F 9.579
- Degree of Freedom 4, 223
- Indexed F 3.31
- Level of Significance 0.000
According to Chang et al. (2020), AL is effective in promoting followers’ development and career success through different psychological paths under various conditions. Due to Table 6, the regression-coefficient between AL (Self-Awareness) and PsyCon is R= 0.383 and R²= 0.147. This means that the PsyCon can be explained by the dimensions of Self-Awareness, for example, “The manager searches for feedback to improve interaction with others” (β= 0.235, R= 0.350, and R²= 0.122), “The manager understands exactly how others view his abilities” (β= 0.124, R= 0.298, and R²= 0.088), and “The manager knows what is the appropriate time to reassess his position” (β= 0.125, R= 0.289, and R²= 0.083). The alternative hypothesis is accepted because the calculated F (9.579) is greater than the indexed F (3.31) at the statistical significance level of 0.00. Authentic leaders are self-aware and genuine and lead followers with passion and a true heart. So, leaders should demonstrate their authenticity and positivity to their employees in daily interactions. In addition, hotels should incorporate authentic leadership development into regular organizational practices to promote leader self-awareness as well as transparency in the workplace. AL can be taught and developed (Chang et al., 2020).

**Authentic Leadership (Balanced Processing) and PsyCon**

The relationship between Balanced Processing and PsyCon Process is determined. The first hypothesis to be tested is:

**H2:** Balanced Processing has a positive influence on the PsyCon process among hotel employees in Egypt.

**Table (7) Multiple Regression Analysis for AL (Balanced Processing) and PsyCon**

<table>
<thead>
<tr>
<th>Authentic Leadership (Balanced Processing)</th>
<th>Beta</th>
<th>R</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>The manager listens with interest to different perspectives before reaching conclusions.</td>
<td>0.150</td>
<td>0.360</td>
<td>0.129</td>
</tr>
<tr>
<td>The manager analyzes data on the subject before making a decision.</td>
<td>0.107</td>
<td>0.366</td>
<td>0.133</td>
</tr>
<tr>
<td>The manager makes difficult decisions in the light of ethical behavior standards.</td>
<td>0.244**</td>
<td>0.380</td>
<td>0.144</td>
</tr>
<tr>
<td>The manager takes different views before making decisions.</td>
<td>0.020</td>
<td>0.311</td>
<td>0.096</td>
</tr>
<tr>
<td>▪ Multiple Correlation Coefficients (MCC)</td>
<td>0.424</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Determination of Coefficient (DC)</td>
<td>0.180</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Calculated F</td>
<td>12.220</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Degree of Freedom</td>
<td>4, 223</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Indexed F</td>
<td>3.31</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Level of Significance</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Chang et al. (2020) suggested that the motivating effect of AL on career success is significant through employees’ positive psychology in the workplace. These findings extend the understanding of AL theory by showing that a leader’s influence can affect employees’ psychological states and further impact career satisfaction. According to Table 7, the regression-coefficient between AL (Balanced Processing) and PsyCon is R= 0.424 and R²= 0.180. This means that the PsyCon can be explained by the dimensions of Balanced Processing, for example, “The manager makes difficult decisions in the light of ethical behavior standards” (β= 0.244, R= 0.380, and R²= 0.144), “The manager analyzes data on the subject before making a decision” (β= 0.107, R= 0.366, and R²= 0.133), and “The manager listens with interest to different perspectives before reaching conclusions.”
before reaching conclusions” ($\beta= 0.150$, $R= 0.360$, and $R^2= 0.129$). Because the calculated $F$ (12.220) is more than the indexed $F$ (3.31) at the statistical significance level of 0.00, the alternative hypothesis is accepted.

**Authentic Leadership (Moral Perspective) and PsyCon**

The relationship between Moral Perspective and PsyCon Process is determined. The first hypothesis to be tested is:

**H3:** Moral Perspective has a positive influence on the PsyCon process among hotel employees in Egypt

| Table (8) Multiple Regression Analysis for AL (Moral Perspective) and PsyCon |
|-------------------------------------------------|------|------|------|
| authentic leadership (moral perspective)        | Beta | R    | $R^2$ |
| what is going on inside the manager appears in his external actions. | 0.186$^*$ | 0.337 | 0.113 |
| the manager demonstrates that his beliefs are consistent with his actions. | 0.334$^{**}$ | 0.343 | 0.117 |
| the manager makes his decisions based on his intrinsic value. | 0.194$^*$ | 0.219 | 0.047 |
| the manager asks employees to stick to the values and beliefs they believe in. | 0.467$^{**}$ | 0.509 | 0.259 |

According to Table 8, the regression-coefficient between AL (Moral Perspective) and PsyCon is $R= 0.610$ and $R^2= 0.372$. This means that the PsyCon can be explained by the dimensions of Moral Perspective, for example, “The manager asks employees to stick to the values and beliefs they believe in” ($\beta= 0.467$, $R= 0.509$, and $R^2= 0.259$), “The manager demonstrates that his beliefs are consistent with his actions” ($\beta= 0.334$, $R= 0.343$, and $R^2= 0.117$), and “What is going on inside the manager appears in his external actions” ($\beta= 0.186$, $R= 0.337$, and $R^2= 0.113$). Because the calculated $F$ (33.034) is more than the indexed $F$ (3.31) at the statistical significance level of 0.00, the alternative hypothesis is accepted.

**Authentic Leadership (Relational Transparency) and PsyCon**

Transparency in organizational communication is critical to hospitality organizations. Given that employees with high and low PsyCon fulfillment generate career satisfaction from different sources, managers should pay increased attention to providing employees with various career resources (Chang et al., 2020).

The relationship between Relational Transparency and PsyCon Process is determined. The first hypothesis to be tested is:

**H4:** Relational Transparency has a positive influence on the PsyCon process among hotel employees in Egypt.
Table (9) Multiple Regression Analysis for AL (Relational Transparency) and PsyCon

<table>
<thead>
<tr>
<th>Authentic Leadership (Relational Transparency)</th>
<th>Beta</th>
<th>R</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>The manager in the organization says what he really means.</td>
<td>0.103*</td>
<td>0.382</td>
<td>0.145</td>
</tr>
<tr>
<td>The manager acknowledges the errors that are actually occurring.</td>
<td>0.341**</td>
<td>0.680</td>
<td>0.462</td>
</tr>
<tr>
<td>The manager encourages employees to talk about what is inside them.</td>
<td>0.342**</td>
<td>0.726</td>
<td>0.527</td>
</tr>
<tr>
<td>The manager tells us the truth, no matter how difficult it is.</td>
<td>0.223**</td>
<td>0.593</td>
<td>0.351</td>
</tr>
</tbody>
</table>

- Multiple Correlation Coefficients (MCC): 0.807
- Determination of Coefficient (DC): 0.652
- Calculated F: 104.424
- Degree of Freedom: 4, 223
- Indexed F: 3.31
- Level of Significance: 0.00

According to Table 9, the regression-coefficient between AL (Relational Transparency) and PsyCon is R = 0.807 and R² = 0.652. This means that the PsyCon can be explained by the dimensions of Relational Transparency, for example, “The manager encourages employees to talk about what is inside them” (β = 0.342, R = 0.726, and R² = 0.527), “The manager acknowledges the errors that are actually occurring” (β = 0.341, R = 0.680, and R² = 0.462), and “The manager tells us the truth, no matter how difficult it is” (β = 0.223, R = 0.593, and R² = 0.351). Because the calculated F (104.424) is more than the indexed F (3.31) at the statistical significance level of 0.00, the alternative hypothesis is accepted.

Conclusion and Implications
To ensure the maximum effectiveness of AL, hotels should pay increased attention to employee PsyCon fulfillment. Managers should enhance communication to help employees shape realistic PsyCon by sharing relevant information with employees, such as organizational culture, company development plans, and strategic goals (Chang et al., 2020). Thus, recognizing how leader’s behavior impact employee psychological contracts looks to be advantageous and may help to minimize negative work outcomes by lowering perceived contract violation (Lamøy, 2021). According to this research, the level of AL and PsyCon process in general is high. Also, there is a correlation coefficient between the research variables. In other words, a good authentic leader helps workers of an organization in building PsyCon. Therefore, leaders should demonstrate their authenticity and positivity to their employees in daily interactions. In addition, the motivating effect of AL on career success is significant through employees’ positive psychology in the workplace.

It is worth mentioning that studying and analyzing the dimensions of PsyCon to identify the most important of these dimensions and trying to improve them among employees in the organization. This will lead to achieving the desired success for both employees and the organization. The employees in the hotels in Egypt who feel respected and valued by the organization will have their interpretation of the state of breach of PsyCon in the interest of the organization. This leads to the disappearance of the negative reaction to the organization. A negative feeling is generated among employees towards the organization in which they work due to the failure to fulfill some of its obligations, but the presence of a state of internal respect and appreciation for employees will
reduce the impact of a negative response to the organization. This was assured by Jafri (2018) findings that AL has significant and negative effects on the perception of breach of PsyCon. Managers at hotels in Egypt should instill values and self-beliefs in the employee’s organization through training courses. Also, managers should enjoy the commitment to objectivity and impartiality when processing information related to work in the organization. Therefore, the need to pay attention to applying the dimensions of AL, since it has an important role in reducing the level of PsyCon. Also, the managers of the organization provide material and moral support to all employees in the organization.

Hotels in Egypt should avoid one of the negative effects of PsyCon breach or PsyCon violation, besides commitment and maintenance of PsyCon until the organization avoids reduced job satisfaction, organizational commitment, and leaving work. Also, the need to focus and pay attention when making promises to employees at all stages of employment, from recruitment and during their time in the organization.

References


• Schauup, L. (2012). An Experimental Study of Psychological Contract Breach: The Effects of Exchange Congruence in the Employer-Employee Relationship, Ph.D., Faculty of the Virginia Polytechnic Institute and State University.


الملخص العربي

تأثير القيادة الأصيلة على عملية العقد النفسي بين موظفي الفنادق

وجيه نافع 1
عماد عبدالعال 2

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تهدف الدراسة إلى تحديد مستوى إدراك القيادة الأصيلة وكذلك عملية العقد النفسي بين الموظفين. كما تستكشف الدراسة كيفية تأثير القيادة الأصيلة على عملية العقد النفسي للموظفين. تم تحليل البيانات من 228 موظفًا في فنادق 5 نجوم بمصر. وقد تم استخدام الأساليب الإحصائية المناسبة مثل معامل ارتباط ألفا، التحليل العاملي التوكيدي، تحليل الارتباط والانحدار المتعدد، وذلك لتحليل البيانات واختبار الفرضيات. أشارت النتائج إلى وجود علاقة عكسية ذات دلالة إحصائية بين أبعاد القيادة الأصيلة (الوعي الذاتي، المعالجة المتوازنة، المنظور الأخلاقي الداخلي، الشفافية النسبية) وعملية العقد النفسي. أيضاً، هناك علاقة عكسية بين القيادة الأصيلة بصفة عامة وعملية العقد النفسي. بمعنى آخر، أنه كلما زاد الاهتمام من جانب المنظمة بتطبيق نمط القيادة الأصيلة ان كلما انخفض مستوى العقد النفسي للموظفين. وهنا يجب على مديرى الفنادق غرس القيم والمعتقدات في المنظمة من خلال الدورات التدريبية. أيضًا، يجب أن يتمتع المديرون بالالتزام بال datatable بالوضوعية والحياد عند معالجة المعلومات المتعلقة بالعمل في المنظمة. لذلك، يجب الانتباه إلى دور أبعاد القيادة الأصيلة المهم في تقليل بعدي العقد النفسي لموظف الفنادق في مصر.

الكلمات المفتاحية: القيادة الأصيلة، العقد النفسي، الفنادق.